

From: John Nakai
To: Microsoft ATR,microsoftcomments@doj.ca.gov@inetgw,...
Date: 12/5/01 2:05am
Subject: Opinions on Microsoft Federal Antitrust Settlement

Dear sir or madam,

I would like to voice my opinion about the Microsoft antitrust settlement in the federal government's case.

Microsoft's lawyers have found another shrewd way to devastate the competition of their product line in the nation's schools and weaseling out of this antitrust case at the same time.

In the part of this settlement where Microsoft agrees to donate a billion dollars worth of computers to the nation's schools, if Microsoft is allowed to make this donation using computers running Microsoft operating systems, or running Microsoft software, then it succeeds in the following.

1. Microsoft displaces other vendor's hardware and software out of the schools. A prime target here is Apple Computer, who maintains a large market share of computers in schools because of their superior ease of use and graphics capabilities. Microsoft will also displace other operating systems such as MacOS, Solaris, and Linux, and other application software such as Netscape, Corel, Applixware, Appleworks, Apache, etc. from the schools. As good as the other products are, they can't compete with free hardware and software. It may well put some of these competitors out of business by flooding the schools with free Microsoft products or computers dependent on Microsoft software to operate.
2. Microsoft will force schools to have to buy software from Microsoft for future upgrades.
3. Microsoft will make children come home to their parents saying they need Microsoft software and computers running Microsoft operating systems and software to do their homework.
4. They will make themselves look like the good guys to schools, administrators, and children who will think Microsoft is coming bearing gifts, rather than buying themselves out of a criminal prosecution. A true public relations victory for the wolf in sheep's clothing.
5. Microsoft does not have to make reparations to the victims of its criminal antitrust crimes and does not get broken up. Instead, Microsoft gets to further steal market share and customer base from its competitor victims with money that should rightfully be paid to its victims or the government as a fine. Had AT&T come to such an agreement

in their antitrust case they would not have been broken up. Instead AT&T would have been able to stay a monopoly and would have agreed to providing free long distance to the customers of all its long distance competitors for just long enough to drive its competitors out of business. This settlement is a windfall reward for Microsoft for criminal behavior, not a punishment.

As a current user of Windows, Macintosh, Unix, and Linux, plus many others in the past, I can say with expert confidence that Windows is an acceptable operating system, it still lacks the system stability, virus resistance, and user empowerment of creativity offered by other operating systems. This settlement could wield a death blow to Apple and possibly others by robbing their customer base and keeping the abusive Microsoft monopoly intact, leaving the computer world under Microsoft's thumb.

Microsoft truly needs to be broken in two to separate companies to separate their operating system business from its application software business. The current structure permits Microsoft to sabotage competing application software with incompatibility changes to its operating system each revision of its operating system, and to provide other operating systems with slow, buggy, or otherwise dysfunctional versions of its application software. Its further expansion into internet services with msn.com, and its plans to deny msn.com web service to browsers other than its Internet Explorer are further examples of Microsoft's plans to cut out competing vendor's products through the use of its monopoly powers.

My opinion is:

1. Microsoft should still be broken up.
2. Microsoft should not be allowed to flood schools with free computers and software unless the computers are up-to-date Macintosh, Linux, Solaris, Unix, or other non-Windows computers. Any freely provided software should be that of current competitor software (AOL, Netscape, Kodak, FileMaker, Apple, Red Hat, Yellow Dog, ApplixWare, gnu, Sun, etc.) Only then will this settlement make any kind of reparation to Microsoft's victims and aid in discouraging and diminishing Microsoft's monopolistic abuse.
3. Microsoft should not be able to provide free internet service to schools as a part of any revised settlement, as msn provides good service and up-to-date software only for Windows based computers.
4. If Intel or other PC clone based computers are provided to schools for free as a part of this settlement Microsoft should be required to bar these computers from being activated with Windows XP for a period of at least 5 years. This is technically doable, as activation requires

users to call Microsoft and provide the computer's unique machine ID for activation.

5. An alternative would be to require Microsoft to first pay victim competitors (if they are still in business) directly for damages, and use the remaining funds as described in 2 to 4 above.

I hope that you will be able to get the courts to reconsider separating Microsoft's operating system, application software, and internet operations into three separate companies to promote fair competition for the benefit of all of us, and to drop plans of this incredible competition devastating free giveaway of computers to schools unless they conform to restrictions like I mentioned in 2 to 5 above.

Thank you for your time in reading this,

John Nakai